

**GOVERNMENT OF PAKISTAN
(REVENUE DIVISION)
CENTRAL BOARD OF REVENUE**

Islamabad, the 18th June, 2001

**NOTIFICATION
(CUSTOMS)**

S.R.O. 450(I)/2001.¹[In exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), section 50 of the Sales Tax Act, 1990, section 40 of the Federal Excise Act, 2005 and section 237 of the Income Tax Ordinance, 2001 (XLIX of 2001), the Federal Board of Revenue is pleased to make the following rules, namely:-]

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²[**Chapter XL
Export Facilitation Scheme 2021**

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871. Definitions.-In this chapter, unless there is anything repugnant in the subject or context,-

- (a) **"acquisition"** means import or purchase of foreign origin goods from authorized user, Common Export House and users of export schemes under SRO 450(I)2001 dated 18.06.2001 Chapter XV, DTRE, SRO 327(I)2008 dated 29.03.2008, including banned or restricted items or procurement of locally manufactured goods and taxable or excisable services covered under this Chapter, including energy sources such as coal, coke of coal, carbon blocks, diesel, furnace oil or gas etc. for in house energy production or use in the manufacturing process and also includes Engineering Goods as classified under chapter 72 to 96 or as approved by Engineering Development Board (EDB):
- Provided that acquisition of banned or restricted items shall be subject to prior permission from the Ministry of Commerce;
- (b) **"Act"** means the Customs Acts, 1969 (IV of 1969), the Federal Excise Act, 2005, the Sales Tax Act, 1990, and the Income Tax Ordinance, 2001(XLIX of 2001);
- (c) **"analysis certificate"** means a certificate issued by the Regulatory Collector or the Director Input Output Co-efficient Organization (IOCO), as the case may be, either manually or electronically, showing input and output ratios of input goods vis-a-vis finished goods along with wastages, as per Appendix II under these rules
- (d) **"appendix"** means an Appendix to this Chapter;
- (e) **"applicant"** means a person who files an application in the form set out in Appendix I for grant of authorization under this chapter;
- (f) **"commercial exporter"** means a person engaged in purchase and export of goods in the same state from the domestic market or from an indirect exporter and export these goods;
- (g) **"Common Export House"** means a warehouse authorized by the Collector under this chapter, for import, warehouse and supply of input goods without payment of customs duty, sales tax, federal excise duty and withholding tax, to the small and medium export enterprises, direct or indirect exporters or commercial exporters;
- (h) **"corporate export enterprise"** means an export unit registered with the SECP;

1 Existing preamble substituted and shall be deemed always to have been so substituted vide SRO 831(I)/2018 dated 2nd July, 2018. At the time of substitution was as under:-
"In exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), the Central Board of Revenue is pleased to make the following rules, namely:--"

2 Added vide SRO 957(I)/2021 dated 30th July, 2021

- (i) **"direct exporter"** means a manufacturer cum exporter who is exporting the goods under the name of his firm or company ³[authorized under these rules];
- (j) **"engineering goods"** includes goods classified under Chapter 72 to Chapter 96 of the First Schedule of the Customs Act, 1969 or as approved by the EDB;
- (k) **"export"** includes supply of goods,-
- (a) by an indirect exporter to a direct exporter ⁴[or a commercial exporter];
- ⁵[***]
- ⁶[(c) to industrial units, projects, institutions, agencies and organizations, entitled to import the same at concessionary rates, and]
- (d) to export processing zones, and Gwadar free zone;
- (l) **"indirect exporter"** means a person who has a firm contract or export purchase order from a direct exporter or commercial exporter for the manufacture and supply of goods to such exporter ⁷[authorized under these rules];
- (m) **"input goods"** means goods ⁸[, except raw cotton, cotton yarn and grey cloth falling under the respective headings of Pakistan Customs Tariff,] whether imported or procured locally and includes services eligible for acquisition ⁹[***]. Such "import" includes the purchase of input goods from a Common Export House or from the licensees of S.R.O 450(I)/2001, dated the 18th June, 2001, Chapter XV, DTRE or S.R.O. 327(I)/2008, dated the 29th March, 2008, used in the manufacture of output goods, as approved in the analysis certificate;
- ¹⁰[(n) **"insurance guarantee"** means a guarantee issued by an insurance company duly notified by the Board, having Pakistan Credit Rating Agency rating of AA++, on such format and conditions as prescribed by the Board;]
- ¹¹[***]
- (o) **"international toll manufacturing"** means an arrangement wherein a foreign principal provides input goods to an exporter to produce finished goods for subsequent export;
- (p) **"large export enterprise"** means an export unit having export quantum above five million US dollars per annum;
- ¹²[(q) **"manufacture"** includes any process in which an article singly or in combination with other articles, materials or components, is either converted into another distinct article or product or is so changed, transformed or reshaped that it becomes capable of being put to use differently or distinctly and includes any process incidental or ancillary to the completion of a manufactured product;]
- (r) **"manufacturer"** includes any person engaged in the process of manufacture and duly authorized to do so under these rules, duly registered as manufacturer under the Sales Tax Act, 1990;
- (s) **"manufacturer-cum-exporter"** means any person or firm registered under the Sales Tax Act, 1990 as a manufacturer-cum-exporter;
- ¹³[(sa) **"online market place"** means an electronic interface such as a market place, e-commerce platform, website portal or similar means which facilitate export of goods, including third party export;]

³ Inserted vide SRO 1093(I)/2023, dated 23rd August, 2023.

⁴ Added vide SRO 30(I)/2024, dated 10th January, 2024.

⁵ Sub-clause (b) was omitted vide SRO 1763(I)/2022 dated 22nd September, 2022.

⁶ Sub-clause (c) was substituted vide SRO 1763(I)/2022 dated 22nd September, 2022.

⁷ Inserted vide SRO 1093(I)/2023, dated 23rd August, 2023.

⁸ Inserted vide SRO 1435(I)/2025, dated 5th August, 2025.

⁹ Omitted the words "except iron and steel scrap falling under the respective headings of Pakistan Customs Tariff" vide SRO 1435(I)/2025, dated 5th August, 2025.

¹⁰ Inserted vide SRO 1435(I)/2025, dated 5th August, 2025.

¹¹ Sub-clause (n) was omitted vide SRO 301(I)/2025, dated 7th March, 2025.

¹² Sub-clause (q) was substituted vide SRO 685(I)/2024 dated 14th May, 2024.

¹³ Inserted vide SRO 1093(I)/2023, dated 23rd August, 2023.

- (t) **"Pakistan Single Window (PSW)"** means a facility as defined under clause (m) of section 2 of the Pakistan Single Window Act, 2021;
- ¹⁴[(u) **"regulatory authority"** means Collector of Customs, in whose jurisdiction the place of business or manufacturing unit of the applicant, duly registered under the Sales Tax Act, 1990, is located. In case an applicant has multiple manufacturing facilities in different jurisdictions, the Collector in whose jurisdiction, the head office of the applicant or principal manufacturing unit is located shall be the regulatory authority.]
- (v) **"regulatory collector"** means the Collector of Customs in whose jurisdiction the place of business or manufacturing unit of the applicant, duly registered under the Sales Tax Act, 1990, is located. In case an applicant has multiple manufacturing facilities in different jurisdictions, the Collector in whose Jurisdiction, the head office of the applicant ¹⁵[or principal manufacturing unit] is located shall act as the Regulatory Collector;
- (w) **"small and medium export enterprise"** means an export unit having export quantum up to five million US dollars per annum;
- (x) **"utilization period"** means the period commencing from the date of import or local purchase of the input goods to the-date of export of the output goods as specified in rule 783;
- (y) **"user"** means a person authorized to utilize this scheme; and
- (z) **"vendor"** means a person who is registered under the Sales Tax Act, 1990; and to whom goods are provided by the authorized exporter under this chapter for further processing towards the manufacture of output goods.

¹⁴ Sub-clause (u) was substituted vide SRO 301(I)/2025, dated 7th March, 2025.

¹⁵ Inserted vide SRO 1093(I)/2023, dated 23rd August, 2023.